

Power efficiencies help propel Pepsi-Cola Philippines' rapidly growing snack and beverage line

Meralco proactive support advances F&B company timelines and growth targets for its Filipino consumers



Food and beverage giant, Pepsi-Cola Products Philippines Inc. (PCPPI) has diversified its local production to include a snack line and additional beverage capacity. Expansion facilities in Batangas and Laguna were set up to manufacture such items.

Pepsi-Cola Products Philippines Inc. (PCPPI) maintains its dominant market position by being nimble and aggressive in responding to the evolving needs of its consuming public.

PCPPI initiated plant openings at Sto. Tomas, Batangas and Cabuyao, Laguna on February 2014 and August 2015, respectively, to accommodate the manufacture of its food and beverage products after recognizing a trend in those lines. Expansion consequently called for increased requirements for clean, reliable, and dependable energy, and a closer strategic partnership with its power utility.

Meralco kept PCPPI's timelines on schedule by accelerating the energization process of the Sto. Tomas and Cabuyao facilities. The engagement enabled Pepsi Philippines to get things done right the first time and helped them fulfill their business plan of becoming a full-fledged beverage and snack food company sooner.

"It's been a great competitive advantage for us to work with Meralco," said Furqan Ahmed Syed, President of PCPPI. "We consider them as a strategic business partner; they come up with solutions that fit our needs. They helped us with all the expansions that have taken place."

To streamline management of their energy costs, Pepsi also entered into a five-year energy contract with Meralco's local retail electricity supplier, MPower. The utility's subsidiary provided Pepsi further incentives to elevate its energy efficiencies by persuading the F&B (food and beverage) giant to improve its power factor. The shift made Pepsi into a contestable customer and armed them with better leverage in negotiating for more competitive power rates.

Meralco's energy solutions contributed to an eight percent increase on Pepsi Philippines' top line and a 15 percent increase on their bottom line in just the first nine months of 2015.

PCPPI remains bullish on the country's growth prospects, prompting further long-term capital investments. Syed hinted that the company is developing more innovations and "exciting products and brands and packaging to delight the Filipino consumers."

For taking a long-successful business model and shaping it to meet the needs of a growing Philippine market, Pepsi-Cola Products Philippines, Inc. is a Corporate Industrial Meralco Luminary for 2015.

"According to a 2014 study made by the Global Agricultural Information Network, the F&B industry generates 50 percent of this country's total manufacturing output. That's a huge contribution to the GDP," said Meralco Senior Vice President and Head of Customer Retail Services and Corporate Communications Alfredo S. Panlilio. "Pepsi is part of that industry, and with Meralco as their energy partner, we both contribute to the broader goal of expanding the nation's economy."

To learn more about Meralco partnerships, speak to your Relationship Manager, or contact the Meralco Corporate Partners at meralcocorporatepartners@meralco.com.ph, or visit www.meralco.com.ph/corporatepartners.



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- Furqan Ahmed Syed
President, Pepsi-Cola Products Philippines Inc.



PCPPI continues to innovate with new flavor introductions of its sports drink, Gatorade.



Meralco Vice President and Head of Corporate Business Group Victor Genuino (left) and Meralco Relationship Manager Rick Panes (right) receive PCPPI's Syed during a courtesy visit at the Meralco Headquarters.



Meralco President and CEO Oscar S. Reyes (left) and Meralco Senior Vice President and Head of Customer Retail Services and Corporate Communications Alfredo S. Panlilio (right) flank PCPPI's Syed as he receives the Corporate Industrial Meralco Luminary for 2015.